

how many trades/day

16. Everything → truckload.

Including Tapes

Tech Dbase →

E-mails

All invoices →

~~E~~ K confirm

Excel worksheets

Four hundred boxes x number of non-confirm
~~K~~

- Kim Terio - K & confirm
Rhonda Denton

→ Beyond Juris.

17. "spread transaction" → what does it mean
Subset of 16.

Wally Cal.

Beyond Juris → Any Buy/Sell in WSCC

* Could include transactions w/ Eastern InterK
(internal to Enron).

* - Fuel costs → nothing

- heat rate - limited

- K O&M - ~~limited~~ No

- Unit's A & G → limited.

- Start up costs - ~~EE~~/Enron Wind

- No load costs - limited.

- Avg. fixed costs - No

- RMR - No

- Emission → have in Houston - Not a large amt.

- " " - limited.

Wheeled "import or export" → Covered by question 13

19. Get from ISO or PX

- Richard Sanders

- EES - Vicky Sharp is coordinating as

Provision say in ESP
have to open books
in same way

Mike Day SB.477 -

Al Pashke

Agent for Service of Process

→ Bob Williams -

Dynegy ^{ESP} got served
→ generator

- Retail & Wholesale -

- Motion to Quash -

Bob Williams will call

~~Leslie Reeves~~
~~3-7962~~

Request for
Confid.

* { Timeline of what's gone on in Confid.

Send around -

What have our relations been

to " " we been talking about
Hot buttons.

(415)

765-
8408

~~Call Robin Tompkins~~

- Elizabeth Linnell - Source of information

- ~~Colt Paul~~
- ~~Richard Sanders~~
- 4-5

~~5587~~

- 2nd week in Oct. - Study Agrmt.

AI

~~Sue 10: a.m. WPTF -~~

~~at take up some issues~~

- Seabron - 617 354-0060

→ Subcommittee - info. sharing
what is every

Sue Nord -

415 765-8406

Want people to cooperate & if
you resist too much put on 1st
of non coop. parties at your
political parties - Will consider
Amending Contd.
order -

Thurs. - letter proposing narrowing scope
of discovery reg.

- I.D. areas object
- Oct. 13th → ~~easy~~ to quick to
provide & don't object
- Can propose later for other
stuff but will need later
nego. after Staff sees

- Do want to finance data not public

- Want details of Bilat, WSSC
Number dates, places prices terms

Willing to
discuss
the
order
K.S.



Enron Capital & Trade Resources Corp.

From: MBD <MDay@GMSSR.com>
09/29/2000 04:26 PM

To: James D Steffes <James_D_Steffes@enron.com>, Richard Shapiro <rshapiro@enron.com>, Mary Hain <Mary_Hain@enron.com>, Vicki Sharp <vsharp@enron.com>, Richard B Sanders <Richard_B_Sanders@enron.com>, Jeff Dasovich <Jeff_Dasovich@enron.com>, Mona L Petrochko <mpetroch@enron.com>, "Sandi McCubbin Enron SF" <smccubbi@ees.enron.com>, "Sue Mara at Enron SF" <smara@ees.enron.com>, "skean@enron.com" <skean@enron.com>
cc: "gfergus@brobeck.com" <gfergus@brobeck.com>
Subject: Political Issues Raised at Meeting with CPUC re subpoenas issued to Enron

Today, Friday, Gary Fergus of the Brobeck firm and I met with Attny. Harvey Morris of the CPUC to negotiate an extension of time for responding to the five subpoenas issued to Enron affiliates and Portland General. We negotiated both an extension for initial responses (two weeks) plus an opportunity to submit a proposal for a significant reduction in the scope of the request for production of documents. This will include a further extension for other documents that are to be produced, as well as a reservation of rights to object to the production of other documents. We are working in close contact with Richard Sanders and the EPMI legal team in Portland on further refining both responses and potential objections.

However, in light of recent communications between the Governor's office and senior Enron officials, and the prospect of additional such communications, Both Gary and I wanted to report an unusual aspect of the negotiation with the CPUC. At the beginning of the meeting, as we were indicating the overall burden of the request, the CPUC attorney indicated the extreme pressure the Commission was under to "get to the bottom" of what was happening in the California power markets. He also recited that "many parties have pledged their cooperation in this investigation to the Governor". He then proceeded to state that parties who delayed providing responses and raised objections to the requests for production instead of cooperating would "be placed on a list of non-cooperative parties" which would be made available to the Governor and legislators and that such parties would have to bear the consequences of such actions.

This rather explicit threat is, in my experience, unprecedented at the CPUC. I also know the attorney in question well enough to know that he would never invoke political reprisals on his own, and was obviously instructed to do so by CPUC Pres. Lynch or her senior staff. Both Gary Fergus and I responded that such a threat was both improper and disturbing for a party simply trying to exercise its legitimate rights to adjudicate burdensome discovery requests, but there was no attempt to withdraw the threat. This comment speaks volumes about the pressure which the CPUC President feels to achieve a politically acceptable result in this matter. Those senior Enron officials in communication with the Governor should be made aware of this incident.

Mike Day

MEMORANDUM

TO: Tim Belden, Chris Calger
FROM: Steve Hall
RE: Compliance With CPUC Investigation and Subpoena

As you know, the CPUC has served Enron Power Marketing Inc. with a subpoena that orders EPMI to produce certain records to the CPUC by October 4, 2000. The scope of the subpoena is extremely broad. As a result of negotiations between the CPUC and our attorneys, however, we have limited the scope of the subpoena and obtained an extension of the October 4, 2000 deadline. Despite this initial progress, the amount of work required to comply with this request should not be underestimated.

We are making every effort to minimize the disruption of daily operations. Our success will be based in part on the amount of support that you can give the legal team in the next few days, and in part on the extent to which you can obtain the support of those employees who report to you.

What is the CPUC doing? As an outgrowth of the CPUC's investigation into the June 14, 2000 blackouts in San Francisco, the CPUC has undertaken an investigation into the functioning of the wholesale electric market and its associated impact on retail rates. As part of this investigation, the CPUC has issued over 120 subpoenas to various participants in the California markets.

Enron has not been singled out for this investigation, but we must assume that our status as a leading power marketer and scheduling coordinator will ensure that we receive special attention.

Why is the CPUC doing this? The CPUC is eager to find someone to blame for the breakdown in the wholesale market this summer. It is expected that once the "guilty" parties are identified the CPUC will attempt to seek refunds, perhaps through a recalculation of the Market Clearing Price.

What is a subpoena? A subpoena is a legal document that requires the party receiving it to produce certain documents. Failure to do so can result in sanctions, fines, or criminal penalties.

Does the CPUC have the jurisdiction to do this? In our opinion, the CPUC does not have the jurisdiction to conduct an investigation into wholesale power markets. However, this investigation is politically-motivated and we must be sensitive to public perceptions. At this point, a legal challenge to the CPUC's jurisdiction is politically risky.

What does the CPUC want? In general terms, the CPUC is looking for documents in the following areas:

- Information relating to all deliveries of physical power in the WSCC and bilateral contracts in California for calendar year 2000
- Organizational charts, phone directories, corporate histories
- Financial documents, e.g., profit and loss statements, income statements, balance sheets, etc.
- Documents describing our role as a scheduling coordinator
- Information relating to maintenance for generators that we control
- Information we provided to FERC in data requests

Is that it? For now, this appears to be the minimum amount of information that will satisfy the terms of the subpoena. This may change over the next few weeks, however, depending upon the whims of the CPUC.

When do we need to comply with this request? We have obtained an extension from the CPUC. Under the terms of the extension, we must send a letter to the CPUC by October 5, 2000 identifying the documents we possess, the difficulties we are having, and a schedule under which we will provide those.